

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 372, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT concerning insurance.
- 3 Delete everything after the enacting clause and insert the following:
- 4 SECTION 1. [EFFECTIVE JULY 1, 2007] (a) As used in this
- 5 SECTION, "department" refers to the department of insurance.
- 6 (b) As used in this SECTION, "insurer" means an insurer (as
- 7 defined in IC 27-1-2-3) that issues a policy of accident and sickness
- 8 insurance.
- 9 (c) As used in this SECTION, "policy of accident and sickness
- 10 insurance" has the meaning set forth in IC 27-8-5-1. However, the
- 11 term does not include a policy described in IC 27-8-5-2.5(a).
- 12 (d) As used in this SECTION, "preauthorization" means a
- 13 determination by:
- 14 (1) an insurer or an insurer's designated representative that
- 15 a proposed health care service is:
- 16 (A) eligible for coverage; and
- 17 (B) medically necessary; or
- 18 (2) a health maintenance organization that a proposed health
- 19 care service is:
- 20 (A) eligible for coverage; and
- 21 (B) medically necessary.

1 (e) The department shall study the current preauthorization
 2 practices and procedures used by insurers and health maintenance
 3 organizations. The department may also study standardization of
 4 the following:

5 (1) Explanation of benefit forms.

6 (2) The length of time that a health care provider has to
 7 submit a claim for payment for health care services to an
 8 insurer or a health maintenance organization.

9 (3) The format, information, and location of information
 10 concerning health benefit cards.

11 (4) The manner and time frame in which an out of network
 12 health care provider is informed by an insurer or a health
 13 maintenance organization of the reimbursement rate the
 14 health care provider will receive for a CPT code of a health
 15 care service for which the health care provider receives
 16 preauthorization from the insurer or health maintenance
 17 organization.

18 (f) In conducting the study, the department shall allow
 19 representatives of insurers, health maintenance organizations, and
 20 health care providers to provide testimony concerning whether the
 21 practices and procedures described in subsection (e) require the
 22 establishment of standards to ensure uniformity, timely response,
 23 and the provision of reasonably sufficient information to health
 24 care providers concerning payment of claims.

25 (g) Before November 1, 2007, the department shall report to the
 26 legislative council in an electronic format under IC 5-14-6
 27 concerning the department's findings resulting from the study
 28 conducted under this SECTION. The report must include any
 29 statutory recommendations that the department considers
 30 necessary to address issues studied under this SECTION for which
 31 the department does not have current authority to act.

32 (h) This SECTION expires December 31, 2008.

(Reference is to SB 372 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 0.

Senator Miller, Chairperson